

**KOVACK INTERNATIONAL SECURITIES, INC.**  
**SCHEDULE I**

**COMPUTATION AND RECONCILIATION OF NET CAPITAL  
UNDER RULE 15c3-1 OF THE  
SECURITIES AND EXCHANGE COMMISSION  
DECEMBER 31, 2015**

**NET CAPITAL COMPUTATION:**

Total stockholders' equity qualified for net capital	\$ 285,931
Add:	
Allowable subordinated liabilities	_____ -
Total capital and allowable subordinated liabilities	285,931
Deducts and or charges:	
Total non-allowable assets	_____ (10,993)
Net capital before haircuts	_____ <u>274,938</u>
Haircuts on securities:	
Other securities	_____ -
	_____ -
Net capital	_____ <u>\$ 274,938</u>

**RECONCILIATION:**

Net capital, per page 3 of the December 31, 2015 un-audited Focus Report, as originally filed	\$ 274,938
Net audit adjustments	_____ -
Net capital, per December 31, 2015 audited report, as filed	_____ <u>\$ 274,938</u>